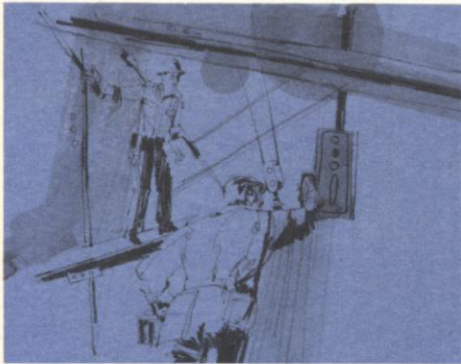


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ASSOCIATED BREWING COMPANY 1969 ANNUAL REPORT

ASSOCIATED BREWING COMPANY is an American enterprise that includes a well knit group of regional brewing operations—the largest group of its kind — well suited to compete with the nationally-distributed brands and local independent brands alike. In late 1969, we added further growth potential by acquiring The Wayne Soap Company that takes low cost animal byproduct materials and processes them into valuable additives, namely tallow and protein for animal feed and pet food. Thus, Associated has expanded the scope of its business activity.

The original Associated Brewing, then named Pfeiffer, under the guidance of Alfred Epstein, became the acknowledged leader among Michigan brewers following World War II and its business tripled from 1945 to 1950. The years thereafter were difficult ones for the brewing industry, with many regional brewers, not only in Michigan but across the nation, going out of business. In 1945, there were 457 brewing companies while today there are only 86 brewing companies. In 1962, Associated began acquiring other regional breweries in a series of mergers through 1965 that brought together several well known brand names, dating back to 1877. Each of Associated's breweries was provided with increased financial and management strength.

In terms of total barrelage, the ABC group is presently Number 10 in the industry. Today, Associated's five major labels alone account for over 350 years of brewing experience. Associated markets some 30 other labels, in addition to the major brands. The combined territories cover 38 states. While the company is decentralized at operational levels, each major brand has larger resources behind it, in the form of advertising and promotional backup, than it would on its own. Brewing will always be of substantial interest to Associated, and the company is striving to achieve further gains despite the fierce competition from nationally distributed brands and other regionals.

The abilities applied to develop brewing company operational strengths that carried Associated from net sales of \$16,000,000 in 1960—the start of the decade—to \$90,000,000, this past year, are applicable in other fields. Therefore, as mentioned, a new direction for the company was signaled by acquisition of The Wayne Soap Company. Wayne's inclusion added immediately to profitability. This new dimension is the first result of the expansion program launched by management and to be conducted throughout the coming years.

THE YEAR AT A GLANCE

	1969*	1968
Gross Sales	\$135,901,000	\$128,064,000
Net Sales**	\$ 90,331,000	\$ 82,779,000
Barrelage	3,971,000	3,943,000
Income Before Extraordinary Item	\$ 1,176,000	\$ 439,000
% to Net Sales	1.3	.5
Extraordinary Item	\$ 757,000	\$ 365,000
(Tax Benefits From Prior Period Losses)		
Net Income	\$ 1,933,000	\$ 804,000
% to Net Sales	2.1	1.0
Per Share:		
Income Before Extraordinary Item	\$.91	\$.34
Extraordinary Item	\$.58	\$.28
Net Income	\$ 1.49	\$.62
Cash Flow	\$ 4,663,000	\$ 3,422,000
Current Ratio	2.0	2.1
Common Shares Outstanding	1,295,444	1,295,444

*Includes five months of the operations of The Wayne Soap Company acquired effective August 2, 1969.

**Gross Sales less federal and state excise taxes.

TO OUR SHAREHOLDERS:

Your company strengthened its position in the brewing industry during the past year. Equally important, Associated Brewing initiated the first phase of an expansion plan aimed at taking advantage of opportunities in other growth fields. The acquisition of The Wayne Soap Company was the first step in a program to increase our earnings through entrance into additional areas of the American economy.

Associated's income before taxes and an extraordinary item increased to \$2,426,000, up from \$804,000 the year before.

Income after provision for taxes rose to \$1,176,000 compared with \$439,000 the prior year. On a per share basis, income after taxes increased to 91 cents from 34 cents in 1968, on the same number of shares outstanding in both years. Results for 1969 include contributions from five months performance of The Wayne Soap Company acquired in August.

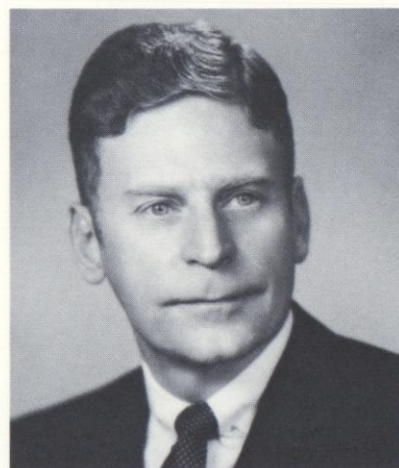
After an extraordinary item in the form of tax benefits, net income increased to \$1,933,000 or \$1.49 per share, up from \$804,000 or 62 cents per share.

Net sales for the year rose to \$90,331,000 from \$82,779,000 the year before.

The improved sales trend in our brewery business was due to a number of factors, one of which was the increased ingenuity in marketing, including packaging innovations and concentration of the advertising and marketing expenditures on our five major brands. Strikes against national breweries, in Milwaukee, St. Louis and other brewing centers undoubtedly had a beneficial effect on Associated results, but the amount is impossible to determine.

THE YEARS AHEAD

We have outlined three basic paths for the years ahead. (1) We intend to grow within the brewing business, which will always be a major sales factor for Associated, (2) we will support Wayne Soap's management to expand that subsidiary's competitive position, and (3) we intend to enter new growth fields — primarily fields allied to our present busi-



HERBERT S. EPSTEIN

nesses through marketing or technological similarities.

Within the brewing industry, we will continue to stress and develop our five major brands, Drewrys, Pfeiffer, Schmidt, Piels and Sterling . . . working to increase each brand's market share within its traditional marketing area and to enlarge the marketing territory for each.

It would also be complementary to our policy of expansion within the brewing industry to acquire breweries in areas where we are not represented at all, or where we have marginal representation.

A second major growth opportunity lies outside the brewing field. The acquisition of Wayne Soap provided Associated with an entry into the feed by-product processing business. Food manufacturing byproducts are processed into refined tallow for a variety of purposes and high protein animal meal. This protein is a basic material in pet food and animal feed.



Wayne has compiled an impressive history. It has had good earnings for the past five years. We firmly believe that the management of Wayne Soap, led by President Robert J. Clark, has the capability to run a larger entry in its field, as well as to expand its business in several other directions. Wayne was purchased for \$2.8 million in cash with a further payment, not to exceed \$2.2 million, contingent upon future earnings and payable in 1972.

That brings us to the third potential expansion area: we believe that the Wayne and Associated combined management staffs have the resources to approach situations that either through marketing or technological similarities are compatible with our organizations. Firms exhibiting these characteristics would include those concerned with food items, snack items, candy and fast foods. Others might be general food companies, companies en-

gaged in processing feed for animals, pet food companies and other consumer oriented food or byproduct companies. We will be looking toward companies that, like Wayne, are well run and competitive in their fields.

Allied to the above, but important enough to deserve separate treatment, is our interest in the soft drink field. The training received in the beer industry, we believe, in large measure qualifies us for the soft drink business. All the challenges of soft drink manufacturing are contained in the somewhat more sophisticated brewing technology and brewing engineering. Marketing problems are virtually identical. Beer and soft drinks are frequently sold to the public from the same outlets. Delivery considerations are identical. This is an extremely attractive prospect for Associated, and we will be investigating possibilities to affect an entry into soft drinks.

FINANCIAL POSITION

Our financial position was strengthened as a result of 1969 operations. Working capital increased to \$11,192,000 at December 31, 1969, from \$10,284,000 the year before. Shareholders' equity per share increased to \$19.70 from \$18.21 last year. Cash flow increased to \$4,663,000 from \$3,422,000 in 1968.

Carryforwards resulting from write-offs and losses in earlier years have now been utilized.

OTHER CONSIDERATIONS

For the balance of 1970 and beyond we see an upward trend in U.S. brewing industry volume, probably annual gains in the area of 3½ to 4 per cent through 1980. Population dynamics favor increasing sales, as more and more persons enter the prime consumption age groups. The trade is currently estimating industry volume of about 145 million barrels by 1975 compared to estimated 1969 volume of 115 million barrels. During the next decade we

will continue to make every effort to increase our barrelage. Our activities are targeted in that direction primarily through such steps as we cite in this report, in advertising, marketing and packaging.

Contracts with unions representing most of our employees will come up for renewal serially throughout the year.

To shareholders, employees, customers and suppliers, we wish to express appreciation for your loyalty and support during the past year. Also, to members of The Wayne Soap Company, we extend a welcome and thanks for an association that has already proved mutually rewarding.

Sincerely yours,

Herbert S. Epstein

HERBERT S. EPSTEIN

Chairman of the Board and President



THE BRANDS, PACKAGES AND CAMPAIGNS



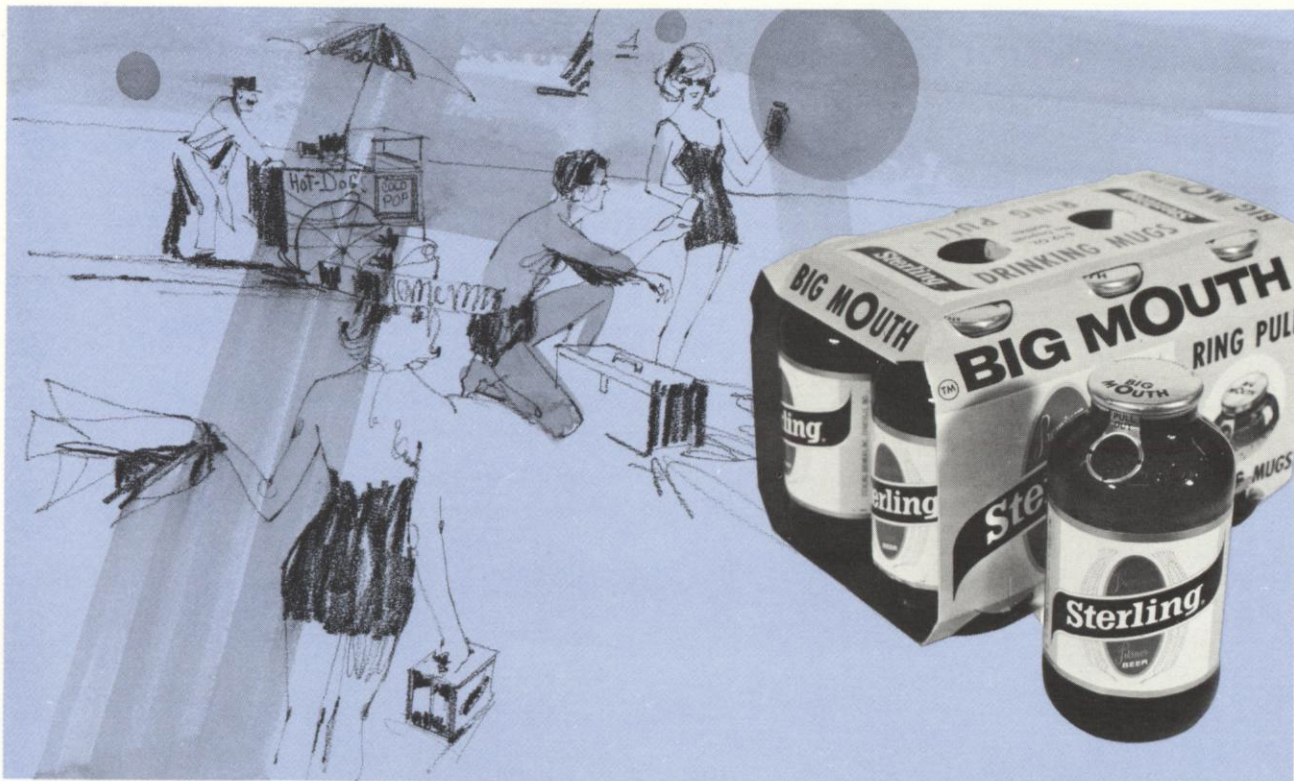
THE BRANDS: Associated's five major brands, Drewrys, Piels, Sterling, Schmidt and Pfeiffer, account for almost 85 per cent of the total barrelage of the company. The sales position of these brands advanced in 1969 as Associated barrelage rose to 3,971,000 from 3,943,000 in 1968.

Piels is marketed in the Northeast; Drewrys and Pfeiffer in the Midwest; Sterling in the lower Midwest and South; and Schmidt in the Upper Midwest and parts of the West. Some of these areas overlap, and "cross-pollination," in which a second Associated brand is introduced through a distributor already carrying one of the other brands, is being actively encouraged. In this way, Associated is beginning to introduce Pfeiffer through Schmidt's distribution with encouraging results. Other distribution increases provided new markets for Sterling, Drewrys and Schmidt . . . new Southern markets for Sterling . . . Central Ohio for Drewrys. Schmidt distribution has been extended through almost all of Wisconsin, the home territory of some larger nationally-distributed brands.

The company has six breweries and an independent distributor organization of almost 800. The breweries are spread geographically, with Piels produced in Brooklyn and Chicopee, Massachusetts; Drewrys and Pfeiffer produced in South Bend, Indiana, and Chicago; Sterling and Pfeiffer produced in Evansville, Indiana; and Schmidt and Pfeiffer produced in St. Paul, Minnesota. This decentralization allows substantial benefits in terms of freight charges. Aggregate annual capacity of these breweries is about 5,000,000 barrels.

These breweries are up to date. Capital expenditures in 1969 were increased approximately 30 per cent over the previous year to maintain a modern plant system. For 1970, capital expenditures are expected to be increased again. The capital investment program is showing good results.

Also, during the past year, the company realized benefits arising from the Drewrys merger in 1965. Certain administrative costs and other items were lessened through the culmination of work over the last few years to consolidate and control various



aspects. Other cost reduction programs such as Associated constantly maintains also had beneficial effects.

THE PACKAGES: Between the production and promotion steps come the packages. Here Associated Brewing is in the forefront. Even though daily competition is with much larger brewers of nationally-distributed brands, Associated has notable credits. During 1969, the company became one of only a handful of brewers in the nation to produce a substantial portion of its product in all aluminum cans. These cans were introduced early in the summer of 1969 and have accounted for an increase, in the aggregate of about 20 per cent, in can sales wherever they have been introduced. Aluminum is one of the most friendly metals to beer and the appearance of aluminum is a definite marketing and display advantage.

A second packaging innovation has also provided exciting prospects. It is the advent of Associated's "Big Mouth" bottle, a large mouth bottle which can

be used for easier drinking, like a beer mug!

This concept was introduced under the Sterling label in February, 1969. By January, 1970, success of the Big Mouth had led to it being extended to Drewrys, Piels and Schmidt. It was introduced into the Pfeiffer line in February of the current year.

Advertising has played a major role in the success of the Big Mouth line, as it does so often in the brewing business. The agency developed a series of fun-type situations around the "Big Mouth" theme. Associated has experienced substantial sales increases in non-returnable bottles since the Big Mouth non-returnable bottle entered the line.

Associated continues to seek packaging innovations through which the company can compete more effectively with the larger national firms.

THE CAMPAIGNS: Associated had maintained one advertising agency to service Piels in the East and two others to serve the four major brands in the Midwest. In 1969, the company switched to a

more decentralized concept under which the four Midwest brands were divided, with one agency handling two major brands and two other agencies each servicing one brand. The same agency continues to serve Piels in the East. It is general consensus that this new approach has been beneficial to the company in terms of quality of campaigns.

As a regionally oriented combination of brewers, it makes sense for Associated to maintain a decentralized advertising approach, just as it has a decentralized plant network. This allows regional offices of advertising agencies to utilize to the fullest their intimate knowledge of their native marketing areas. Campaigns reflect this approach, and Associated believes the concepts obtained coincide well with the tastes of area populations.

1969's advertising budget was in the millions of dollars, and increased five per cent from the previous year. The effects of the increase were greatly multiplied as Associated began devoting a larger proportion of the total to the five major brands. It is believed that the concentration of virtually all

the advertising budget in the major brands is a new move that will lend impetus to increasing their respective market shares.

During 1970, Associated will continue to develop the five major brands in their respective marketing areas and will look toward opening up new territories for each. The advertising/promotion budgets will be directed accordingly.

Associated also produces three other groups of beers. These comprise the remaining 15 per cent of beer sales. Certain of these are also regional and competitive to other regional beers, others are economy brands and the third type is private label.

The regionals receive some advertising dollars. The economy brands are not supported with advertising. They compete for that six to eight per cent of beer market sales which are made at economy prices primarily for take-home consumption. Private label business refers to beer produced under the brand labels of others.



THE WAYNE SOAP COMPANY

Associated completed its first acquisition outside the brewing field with the purchase of The Wayne Soap Company, effective August 2, 1969. Wayne Soap was formed in 1898 for the purpose of the reduction of animal by-products in the Detroit-Toledo areas. The company has grown in scope of operations and geographical marketing coverage. From 1955 to 1969, Wayne's sales increased 258 per cent. The company expanded the original marketing area of its Detroit and Toledo plants with the addition of a Houston plant in 1958 and a Dallas facility in 1960. Subsidiaries are Valcar Enterprises in Dallas, Pepper Rendering Company of Houston, and the Toledo Tallow Company.

The primary products are tallow and animal protein. Wayne processes animal byproducts into refined tallow on the one hand and high protein animal feed products on the other. High protein animal meal is a basic material for pet food and animal feed and is extensively used in the manufacture of animal and poultry feeds, as well as pet foods.

Wayne Soap produces quality products and provides efficient service to its customers. The company maintains a solid competitive position and a fine reputation in its field. It competes in relatively stable markets with suitable long range demand. Sales of pet foods are increasing. In addition, the value of shipments of prepared animal feeds amounted to an estimated \$5.36 billion in 1969, six per cent more than in 1968. There is an increasing utilization of tallow in industry for lubricating and other types of oils and certain chemical products.

Increasing per capita consumption of beef and population gains have resulted in corresponding increases in the supply of byproducts used as basic ingredients by Wayne. Over the next years, it is probable that meat demand will require still increased supply. The average American, according to the U. S. Department of Commerce, ate 85 pounds of beef in 1960, 35 per cent more than in 1950. 1969 estimated per capita consumption of beef was 111 pounds.



**ASSOCIATED
BREWING
COMPANY**
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET DECEMBER 31, 1969 AND 1968

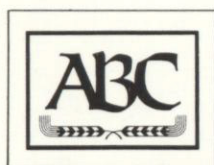
ASSETS	1969	1968
Current assets:		
Cash	\$ 6,327,000	\$ 4,388,000
Accounts and notes receivable, net of allowances for doubtful accounts (\$401,000 in 1969 and \$529,000 in 1968)	6,578,000	6,397,000
Inventories:		
In process and finished goods, at average cost	2,732,000	2,117,000
Materials and supplies, at lower of cost (first-in, first-out) or market (Note 3)	6,098,000	5,905,000
Prepaid expenses	830,000	923,000
Total current assets	22,565,000	19,730,000
Property, plant and equipment, at cost less accumulated depreciation (Note 4)	25,937,000	24,083,000
Deferred charges, net of amortization	1,341,000	1,271,000
Cost in excess of assigned value of company acquired (Note 2)	1,049,000	—
	<u>\$50,892,000</u>	<u>\$45,084,000</u>
 LIABILITIES		
Current liabilities:		
Current maturities of long-term notes	\$ 1,855,000	\$ 1,595,000
Accounts payable	4,727,000	4,483,000
Accrued liabilities	3,689,000	2,966,000
Income taxes	641,000	—
Customers' deposits on kegs and pallets	461,000	402,000
Total current liabilities	11,373,000	9,446,000
Long-term notes (Note 5)	10,533,000	10,695,000
Other long-term obligations	349,000	437,000
Contingent obligation arising from acquisition (Note 2)	2,218,000	—
Deferred income taxes	900,000	920,000
	<u>25,373,000</u>	<u>21,498,000</u>
 STOCKHOLDERS' EQUITY (NOTES 5 AND 6)		
Common stock, \$1 par:		
Authorized: 2,500,000 shares		
Outstanding: 1,295,444 shares	1,295,000	1,295,000
Additional paid-in capital	9,992,000	9,992,000
Earnings retained for use in the business	14,232,000	12,299,000
	<u>25,519,000</u>	<u>23,586,000</u>
	<u>\$50,892,000</u>	<u>\$45,084,000</u>

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 1969 AND 1968

	1969	1968
Sales	\$135,901,000	\$128,064,000
Less federal and state excise taxes	45,570,000	45,285,000
	90,331,000	82,779,000
Cost of goods sold	66,267,000	59,977,000
	24,064,000	22,802,000
Marketing, general and administrative expenses	21,042,000	21,253,000
	3,022,000	1,549,000
Other deductions, net of other income	596,000	745,000
Income before income taxes and extraordinary item	2,426,000	804,000
Income taxes (Note 7)	1,250,000	365,000
Income before extraordinary item	1,176,000	439,000
Tax benefits from prior period losses	757,000	365,000
Net income	\$ 1,933,000	\$ 804,000
Per share of common stock:		
Income before extraordinary item	\$.91	\$.34
Extraordinary item	.58	.28
Net income	\$1.49	\$.62



CONSOLIDATED STATEMENT OF EARNINGS RETAINED FOR USE IN THE BUSINESS

FOR THE YEARS ENDED DECEMBER 31, 1969 AND 1968

	1969	1968
Balances, January 1	\$ 12,299,000	\$ 11,624,000
Net income for the year	1,933,000	804,000
	14,232,000	12,428,000
Cash dividends, per share, \$.10 in 1968	—	129,000
Balances, December 31	\$ 14,232,000	\$ 12,299,000

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN WORKING CAPITAL

FOR THE YEARS ENDED DECEMBER 31, 1969 AND 1968

	1969	1968
Working capital, January 1	\$10,284,000	\$ 9,855,000
Additions to working capital by source:		
From operations:		
Net income for the year	\$1,933,000	\$ 804,000
Add items charged to income which do not affect working capital:		
Depreciation of fixed assets	2,413,000	2,284,000
Amortization of deferred charges	237,000	250,000
Total derived from operations	4,583,000	3,338,000
Long-term borrowings, less current maturities	1,114,000	—
Proceeds from sales of fixed assets	72,000	84,000
Other changes, net	8,000	—
Total additions to working capital	5,777,000	3,422,000
Deductions from working capital:		
Net additions to property, plant and equipment*	1,271,000	993,000
Payments on long-term notes	1,617,000	1,595,000
Expenditures for licensing fees, net of adjustment for current portions	19,000	254,000
Expenditures for acquisition, net of working capital acquired	1,813,000	—
Dividends paid	—	129,000
Portion of deferred taxes reclassified to current liability	149,000	—
Other changes, net	—	22,000
Total deductions from working capital	4,869,000	2,993,000
Increase in working capital	908,000	429,000
Working capital, December 31	<u>\$11,192,000</u>	<u>\$10,284,000</u>

*Excludes assigned value of property, plant and equipment of acquired subsidiary in the amount of \$3,068,000.

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Principles of Consolidation: The consolidated financial statements include the accounts of Associated Brewing Company and each of its subsidiaries, and include results of operations of The Wayne Soap Company from August 2, 1969.

2. Acquisition: The business and assets of The Wayne Soap Company were acquired, effective August 2, 1969, for a cash payment of \$2.8 million with a further payment, not to exceed \$2.2 million, contingent upon future earnings and payable in 1972. The contingent portion of the purchase price has been recorded as a liability in the balance sheet as the current earnings level indicates that such payment will be made.

3. Deposit Liabilities: Customers' deposits on bottles and cartons amounting to \$2,260,000 and \$2,445,000 as of December 31, 1969 and 1968, respectively, have been deducted from the related inventory accounts.

4. Property, Plant and Equipment: Major classes of property, plant and equipment were as follows:

	Dec. 31,	
	1969	1968
Land improvements	\$ 558,000	\$ 420,000
Buildings	13,721,000	12,888,000
Machinery and equipment	30,031,000	27,982,000
	44,310,000	41,290,000
Accumulated depreciation	20,088,000	18,444,000
	24,222,000	22,846,000
Land	1,715,000	1,237,000
	<u>\$25,937,000</u>	<u>\$24,083,000</u>

Depreciation expense for 1969 and 1968, based upon amortizing the costs of assets equally over assigned lives, was \$2,413,000 and \$2,284,000, respectively.

ASSOCIATED BREWING COMPANY AND SUBSIDIARIES

5. Long-Term Debt: Long-term notes at December 31, 1969 consisted of:

	Amounts Due Within One Year	Amounts Due After One Year
6% note payable to bank.....	\$ 640,000	\$ 2,400,000
7½% note payable to bank.....	186,000	1,114,000
5½% Senior notes	500,000	3,500,000
6% Series A, subordinated notes.....	215,000	1,495,000
5⅞% Series B, subordinated notes...	215,000	1,495,000
6½% mortgage payable, due May 1, 1974	25,000	210,000
6½% mortgage payable, due January 1, 1975.....	66,000	319,000
Other	8,000	
	<u>\$ 1,855,000</u>	<u>\$10,533,000</u>

The 6% note payable to the bank is due July 1, 1974. Fixed quarterly payments of \$160,000 plus interest on the unpaid balance are required.

The 7½% note payable to the bank is due October 1, 1976. Fixed quarterly payments of \$46,000 plus interest on the unpaid balance are required.

The Senior, Series A and Series B notes are due October 1, 1977. Fixed annual payments of \$930,000 and additional principal payments of one-half of annual consolidated net income (as defined) in excess of \$1,500,000 are required.

The note agreements require the Company (1) to maintain consolidated working capital of not less than \$9,000,000 and (2) to limit the total cash dividends, purchases of its own stock and certain payments on term debt to seventy-five percent of consolidated net income (as defined) accumulated subsequent

to December 31, 1968. Earnings retained for use in the business at December 31, 1969 are restricted to the extent of \$12,808,000.

Holders of the Series A notes hold warrants to purchase 30,000 shares of common stock at \$13 per share until October 1, 1977.

Interest on long-term notes was \$719,000 in 1969.

6. Stock Options: Under the terms of various stock option plans, 150,560 shares of the Company's common stock were reserved for issue to management personnel. During 1969, options for 54,000 shares were granted at \$9.94 a share. No options were exercised during the year. At December 31, 1969, employees held options to purchase 87,940 of the reserved shares at prices from \$9.94 to \$15.875 per share. Of the options outstanding, 25,740 shares were exercisable at December 31, 1969. All options expire five years from the date of grant.

7. Income Taxes: Investment tax credits of \$70,000, have been applied to the reduction of the 1969 provision for federal income taxes. The equivalent 1968 amount was \$60,000. Tax benefits derived from prior period losses have been included in income as extraordinary items.

The currently payable portion of the provision for income taxes amounted to \$1,398,000 before reduction by \$757,000, the tax benefit derived from prior period losses.

Unused investment credits at December 31, 1969 aggregated \$400,000 and expire in varying amounts through 1975.

Federal income tax returns for years subsequent to 1961 are currently under review. Ultimate settlement of proposed adjustments is not expected to result in a material assessment.

8. Pension Plans: The Company has several pension plans covering its employees. Most plans provide for contributions to union trustee pension funds on the basis of hours worked; other plans are funded as pension costs accrue, except as to one plan which is unfunded. The total pension expense covering both salaried and union employees for the year was \$1,178,000, which includes appropriate amortization of prior service cost.

ACCOUNTANTS' REPORT

To the Board of Directors and Stockholders of
Associated Brewing Company:

We have examined the consolidated balance sheet of Associated Brewing Company and Subsidiaries as of December 31, 1969 and the related consolidated statements of earnings retained for use in the business, income and changes in working capital for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We previously examined and reported upon the financial statements for the year ended December 31, 1968.

In our opinion, the above referred to financial statements present fairly the consolidated financial position of Associated Brewing Company and Subsidiaries at December 31, 1969 and 1968 and the consolidated results of operations and changes in working capital for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

LYBRAND, ROSS BROS. & MONTGOMERY
CERTIFIED PUBLIC ACCOUNTANTS

Detroit, Michigan
February 26, 1970

OFFICERS

HERBERT S. EPSTEIN
Chairman of the Board and President

JAMES F. BARKER
Executive Vice President—*Production*

THOMAS P. HAWKES
Executive Vice President

ROY C. TROUTEAUD
Executive Vice President—*Finance and Secretary*

J. J. LEDERLE
Vice President—*Pacific Region*

DALE H. METZ
Vice President—*Marketing*

STEPHEN J. SCHMIDT
Vice President—*Advertising*

GERALD G. HARDY
Vice President—*Production*

JAMES AMENTO
Vice President—*Operations*

GILBERT E. DELANEY
Vice President and Treasurer

CHARLES W. BROUGHTON
Vice President

DIRECTORS

HERBERT S. EPSTEIN
Chairman of the Board and President

ALFRED EPSTEIN
Vice Chairman of the Board
Consultant to the Company

THOMAS P. HAWKES
Executive Vice President
President of Piel Bros., Inc.

LEONARD MELDMAN
Attorney

GEORGE A. PIERSON
Senior Vice President of
Michigan Bank, National Association

ROY C. TROUTEAUD
Executive Vice President—*Finance and Secretary*



COUNSEL

Wachtell, Lipton, Rosen & Katz
New York, New York

Thornburg, McGill, Deahl, Harman, Carey
& Murray
South Bend, Indiana

AUDITORS

Lybrand, Ross Bros. & Montgomery

TRANSFER AGENTS

Manufacturers Hanover Trust Company
New York, New York

National Bank of Detroit
Detroit, Michigan

REGISTRARS

Schroder Trust Company
New York, New York

Detroit Bank and Trust Company
Detroit, Michigan

SHARES LISTED

New York Stock Exchange
Detroit Stock Exchange

TICKER SYMBOL ABW

ANNUAL MEETING

The Annual Meeting of shareholders will be held at 1408 Elwood Avenue, South Bend, Indiana, on Thursday, April 16, 1970, at 10:30 A.M. (E.S.T.). A proxy statement and form of proxy are enclosed with this annual report.



ASSOCIATED BREWING COMPANY
3740 BELLEVUE AVENUE / DETROIT, MICHIGAN 48207